



CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE

October 23, 2000

H.R. 1695
Ivanpah Valley Airport Public Lands Transfer Act

As cleared by the Congress on October 17, 2000

H.R. 1695 would direct the Secretary of the Interior to convey to Clark County, Nevada, about 6,400 acres of public land for the purpose of developing an airport facility and related infrastructure. The county would pay fair market value for the land. The legislation would authorize the Secretary to spend the proceeds of the land sale. CBO estimates that implementing H.R. 1695 would result in an increase in offsetting receipts in 2002, but that those receipts would be fully offset by a corresponding increase in direct spending over fiscal years 2005 through 2007.

CBO's estimate of the impact of H.R. 1695 on direct spending is shown in the following table. Only the estimated changes in the budget year and the succeeding four years are counted for pay-as-you-go purposes. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Changes in outlays	0	-6	0	0	2	2	2	0	0	0
Changes in receipts					Not applicable					

Under current law, BLM has no plans to sell the land, and the land does not generate any receipts for the federal government. According to BLM, the proceeds from sale of the land are highly uncertain since an appraisal has not been conducted and there are virtually no other comparable land sales in that area. Based on information from the local airport authority and BLM, CBO estimates that sale proceeds would total about \$6 million in fiscal year 2002.

Current law provides that states receive 5 percent of the net proceeds of sales of public lands within their limits. Thus, we estimate that payments to the state of Nevada would total about \$300,000 in fiscal year 2002 as a result of implementing H.R. 1695.

H.R. 1695 provides that proceeds from sale of the land shall be deposited in a special account in the Treasury created by section 4(e)(1)(C) of the Southern Nevada Public Land Management Act (Public Law 105-263). We assume that such deposits will be net of the payments to Nevada discussed above. The net proceeds would be available to the Secretary, without further appropriation, to purchase environmentally sensitive land in Nevada, reimburse agency costs incurred in arranging the sale, and for certain other purposes.

Under H.R. 1695, the proceeds from the sale could not be spent until the Secretary of the Interior and the Secretary of Transportation complete all actions required under the National Environmental Policy Act of 1969 (NEPA) and the development of the airport has been approved. Based on information from BLM and the Department of Transportation, CBO expects these requirements would be met by the start of fiscal year 2005 and that the Secretary would spend \$2 million a year over the 2005-2007 period for the purposes specified in the legislation.

The CBO staff contact for this estimate is Megan Carroll. The estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.